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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
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December 1, 1924.

THE POSITION OF LIVESTOCK

The season followed through quite consistently - three weeks late in the spring and lengthened out by about three weeks of Indian Summer at the close. The latter added to the yield of cotton, added almost ruinously to the yield of potatoes, and it helped considerable soft corn into condition to keep through the winter. Attention now turns to winter prospects, especially as concern the livestock industry.

The dairy situation can not be called particularly good. It might be worse; but there is much discouragement and depression among dairymen. On the butter end, the market is overshadowed by storage stocks nearly double those of last year. On the fluid milk end, producers are under the pressure of low-priced milk and high priced feeds. There is ground for expecting some improvement next year, provided consumption holds up well. Meanwhile, anyone who wishes to go into dairying can buy good cows at a bargain.

Beef cattle are a gloomy story. The position of range cattle men is as nearly intolerable as that of any major group of producers. It is difficult to get a tangible line on the range end of the situation, yet the indirect evidence is that considerable liquidation has occurred. It is not improbable that when the turn comes it may disclose relatively short supplies and that prices will rise vigorously. That has happened before. On the feeder end, the curtailment is apparent. Estimates are that the corn Belt will feed out about 25 per cent fewer cattle this season than last.

The hog situation continues to head toward shorter supplies and ultimately higher price level. The short corn crop has brought heavy fall runs of hogs to market, many of them very light weight. There is no great incentive to fatten hogs with corn at present prices. If corn should turn out well in 1925, there may be a possibility of unusual profits for hog producers next winter, but that is a year hence.

Sheep raisers are in strong position. They have made money for two years and the wool price outlook is still apparently good. The world is short of textiles. There is no mistaking the strength of demand that has lifted world wool markets even above the level of our tariff. Ewes have become relatively high priced.

Broadly speaking, the country's livestock industry is traveling through the bottom of a price cycle. During the war great effort was directed toward production of the major money crops. Severe post-war depression, coincident with remarkably heavy yields of the main feed crops, turned much productive effort back upon the animal industries. Livestock helped to carry along and work off the crop surpluses. Now grain surplus has become shortage. Sheep have already recovered and hogs are next. The present lesson to stock raisers is to improve their herds while the improving is cheap.

KEY REGIONS AT A GLANCE

THE EAST - Rather depressed. Dairymen under pressure of high feed prices. Potato, hay and cabbage growers discouraged. Potatoes selling from 25 cents to 40 cents a bushel. Apples almost only important money crop that shows a profit. General drought. Considerable damage to crops temporarily stored by severe cold wave of middle November.

THE SOUTH - Cotton picking and ginning nearly completed. Harvest favored by mild weather. Widespread complaints during November of drought; winter crops and truck handicapped thereby. Financial conditions continue to improve in South as cotton goes to market.

CORN BELT - Corn husking well along, though later than usual. Favorable weather helped greatly in wind-up of the harvest. Corn yields low and much of low feeding value. Corn situation has induced further liquidation in hogs. Markedly fewer cattle will be fed than last year. Winter grain looking well, as a rule.

WHEAT BELT - Winter wheat looking very well on the whole. Retarded by drought in north Kansas and in sections elsewhere, but furnishing good pasturage in southern areas. Favorable weather, good roads, and higher prices have induced very heavy fall market movement. Wheat Belt goes into winter in best financial condition in five years.

RANGE COUNTRY - Stock now on winter ranges. Condition good. Range generally in good shape except for dry areas in Wyoming and Montana; very dry in portion of New Mexico and west Texas. Feeding also begun early in northwest due to grass shortage from drought earlier. Cattle men generally continue pessimistic but sheep are regarded as good property.

PACIFIC COAST - Drought finally broken, soil in better shape, winter crops picking up, stock water once more ample. Citrus fruit harvest going forward in California. General background of Coast conditions improved with the rains.

CROP PRODUCTION

The following shows production of important crops in 1913, five-year average, last year, and estimates for this year. Compiled by Division of Crop and Livestock Estimates, B. A. E.

Figures given to nearest million, six ciphers omitted.

<u>Crop</u>	<u>1913 Production</u>	<u>1918-1922 Average</u>	<u>1923 Production</u>	<u>1924 Oct. Estimate</u>	<u>1924 Nov. Estimate</u>
Wheat, bu.					
Winter	523	625	572	589	589
Spring	240	256	213	266	266
All	763	881	786	856	856
Corn, bu.	2,447	2,899	3,046	2,459	2,478
Oats, bu.	1,122	1,303	1,300	1,509	1,509
Barley, bu.	178	186	198	201	201
Rye, bu.	41	78	63	66	66
Cotton, bales	14.1	10.9	10.1	12.675	12.992
Potatoes, bu.	332	391	412	424	454
Hay, tame, tons	64	86	89	95	95
Apples, bu.	145	167	197	175	177
Peaches, bu.	40	44	46	52	52
Flax, bu.	18	10	17	29	31
Tobacco, lbs.	954	1,361	1,491	1,182	1,214

The November estimates reflected favorable weather for maturing of cotton and potatoes. Flax and tobacco crop prospects were also rated somewhat higher than in October.

These forecasts for 1924 register the changing conditions of growth from month to month. The December estimates will be the final ones.

AVERAGE PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS
Month Ending November 1, 1924.

Actual prices received at the farm by producers. Average of reports covering the United States, weighted according to relative importance of county and State. Figures compiled by Division of Crop and Livestock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available months.

	Oct. <u>1913</u>	Oct. <u>1923</u>	Sept. <u>1924</u>	Oct. <u>1924</u>
Cotton, per lb.	¢ 13.2	28.0	22.2	23.1
Corn, per bu.	¢ 73.0	84.8	109.7	108.9
Wheat, per bu.	¢ 77.4	94.2	114.2	129.7
Hay, per ton	\$ 11.48	12.44	12.68	12.64
Potatoes, per bu.	¢ 71.8	91.4	81.0	68.8
Oats, per bu.	¢ 38.8	39.4	47.1	48.9
Apples, per bu.	¢ 85.6	114.0	109.8	115.9
Beef cattle, per 100 lbs.	\$ 6.05	5.48	5.53	5.52
Hogs, per 100 lbs.	\$ 7.60	7.23	8.50	9.45
Eggs, per dozen	¢ 26.0	34.6	31.8	38.2
Butter, per lb.	¢ 27.8	42.2	38.2	38.8
Wool, per lb.	¢ 15.5	36.9	35.5	37.3
Veal calves, per 100 lbs.	\$ 7.72	8.37	8.09	8.22
Lambs, per 100 lbs.	\$ 5.51	10.17	10.18	10.35

The month of October saw notable rise in the farm price of wheat and hogs. Wool, cotton and apples also made small gains, while eggs continued a seasonal rise. The worst case of slump was in potatoes and they have dropped still further since.

The price situation is encouraging to producers of wheat, corn, cotton and sheep. It is highly discouraging to producers of potatoes.

PRICE INDEXES FOR MONTH ENDING NOVEMBER 1, 1924.

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number). Shows year ago, and latest available months:

Farm Products

(Prices at the farm)

	<u>Oct.</u> <u>1923</u>	<u>Sept.</u> <u>1924</u>	<u>Oct.</u> <u>1924</u>	<u>Month</u> <u>Trend</u>
Cotton	226	179	186	Higher
Corn	143	185	184	Lower
Wheat	120	146	166	Higher
Hay	113	115	115	Same
Potatoes	142	126	107	Lower
Beef cattle	93	94	94	Same
Hogs	97	114	126	Higher
Eggs	179	165	198	Higher
Butter	156	142	144	Higher
Wool	221	213	223	Higher

Commodity Groups

(Wholesale Prices)

	<u>Oct.</u> <u>1923</u>	<u>Sept.</u> <u>1924</u>	<u>Oct.</u> <u>1924</u>	<u>Month</u> <u>Trend</u>
Farm products	144	143	149	Higher
Food, etc.	148	148	152	Higher
Cloths & clothing	199	186	188	Higher
Fuel & lighting	172	168	162	Lower
Metal & met. products	142	128	127	Lower
Bldg. materials	182	171	171	Unchanged
Chemicals, etc.	129	131	132	Higher
House-furnishing goods	183	171	171	Unchanged
<u>ALL COMMODITIES</u>	<u>153</u>	<u>149</u>	<u>152</u>	<u>HIGHER</u>

RELATIVE PURCHASING POWER

(At October 1924 Farm Prices)

1913 = 100

<u>In terms of</u>	<u>Of a Unit of:</u>				
	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	122	121	109	76	70
Cloths, etc.	99	98	88	61	57
Fuel, etc.	115	113	102	71	66
Metals, etc.	146	145	131	91	84
Bldg. Materials	109	107	97	67	63
House-furnishing goods	109	107	97	67	63

	<u>Beef Cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	62	83	130	95	147
Cloths, etc.	50	67	105	77	119
Fuel, etc.	58	78	122	89	137
Metals, etc.	74	99	156	113	176
Bldg. materials	55	74	116	84	130
House-Furnishing goods	55	74	116	84	130

In general, October witnessed an improvement in the indicated exchange position of farm products. Potatoes were the principal exception. Outstanding improvement came in the case of wheat and hogs. Beef cattle now have the lowest indicated purchasing power of this group of 10 principal products. In that connection it is worth noting that beef cattle have long followed a clear-cut cycle of purchasing power that they are now at a very low point in the cycle.

The general index of purchasing power advanced from 87 the previous month to 91 in October (the year 1913 being considered as 100.) This is the highest point reached in four years. It was due to advance in prices of farm products, the non-agricultural commodity price index having remained the same as previous month.

COLD STORAGE SITUATION

November 1 holdings (Shows nearest million, six figures omitted:)

<u>Commodity</u>	<u>5-Year Average</u>	<u>Year Ago</u>	<u>Month Ago</u>	<u>Nov. 1, 1924.</u>
Creamery butter, lbs.	86	76	153	135
American cheese, lbs.	53	58	73	68
Case eggs, cases	5	7	7	5
Total poultry, lbs.	34	40	40	55
Total beef, lbs.	101	63	48	67
Total pork, lbs.	460	506	565	410
Lard, lbs.	47	35	84	32
Lamb & Mutton, lbs.	13.8	1.9	2.5	3.1
Total meats, lbs.	637	629	672	538

During October, the country drew to some extent on its stored supplies of butter, cheese, eggs and pork products. It put more dressed poultry, beef, and lamb into storage. All of this is in line with normal movement.

Compared with the average situation this date, stocks are low in case of beef, lamb, pork and lard; about average in case of eggs; high in case of butter, cheese and poultry. The stored supply of butter is nearly double that of last year.

GENERAL TREND OF WAGES AND PRICES

1913 = 100

<u>Year and Month</u>	<u>General Wage Level</u>	<u>Farm Wages</u>	<u>Retail Price of Food</u>	<u>Wholesale Price of Food</u>	<u>Wholesale Price All Commodities</u>
	N.Y. factory workers (1914=100)	(Monthly without board)	Dept. of Labor	Dept. of Labor	Dept. of Labor
1913	---	100	100	100	100
1914	100	99	102	102	98
1915	103	99	101	105	101
1916	116	108	114	121	127
1917	131	133	146	167	177
1918	188	155	168	188	194
1919	188	186	186	207	206
1920	226	214	203	220	226
1921	206	143	153	144	147
1922	201	138	142	138	149
1923	218	155	146	144	154
<u>1923</u>					
January	210	133	144	141	156
February	207	---	142	141	157
March	216	---	142	143	159
April	216	147	143	144	159
May	221	---	143	144	156
June	223	---	144	142	153
July	221	159	147	141	151
August	217	---	146	142	150
September	220	---	149	147	154
October	222	161	150	148	153
November	221	---	151	148	152
December	224	---	150	147	151
<u>1924</u>					
January	223	151	149	143	151
February	222	---	147	143	152
March	226	153	144	141	150
April	222	157	141	137	148
May	217	---	141	137	147
June	218	---	142	136	145
July	217	159	143	139	147
August	220	---	144	144	150
September	225	---	147	148	149
October	221	160	149	152	152

GENERAL TREND OF PRICES

1913 = 100

Year and month	Farm Price Crops 15th of month	Farm Price Livestock 15th of month	Farm Price Crops and Livestock Combined	Wholesale price of Non-Agrl. Commodities*	Purchasing Power of Farm Products#
1913	100	100	100	100	100
1914	108	103	106	94	112
1915	110	95	102	97	106
1916	124	111	118	132	89
1917	208	164	186	176	106
1918	224	192	208	186	112
1919	234	198	216	195	111
1920	238	168	203	234	86
1921	109	107	108	161	67
1922	113	111	112	163	69
1923	136	103	120	167	72
<u>1923</u>					
January	126	106	116	170	68
February	130	107	118	172	69
March	134	106	120	175	69
April	139	107	123	176	70
May	140	105	123	172	71
June	139	100	120	168	71
July	136	102	119	165	72
August	136	102	119	163	73
September	138	109	123	164	75
October	139	103	121	161	75
November	137	97	117	160	73
December	137	94	116	158	73
<u>1924</u>					
January	140	97	119	160	74
February	141	98	120	162	74
March	138	100	119	161	74
April	140	102	121	159	76
May	139	103	121	157	77
June	142	102	122	155	79
July	155	101	128	154	83
August	163	114	139	154	90
September	154	113	134	153	87
October	157	120	138	153	91

* Department of Labor "All Commodities", excluding farm products and food.

Farm product index divided by index of non-agrl. commodities.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1921 Total	435,606	340,908	41,040	19,764	24,168	472,011
1922 "	413,106	378,598	44,067	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1923 Jan.	38,002	37,526	5,306	1,876	1,636	40,613
" Feb.	21,533	31,901	4,492	1,427	1,366	33,839
" Mar.	22,081	24,710	4,928	1,502	1,430	41,575
" Apr.	21,785	16,836	4,318	1,670	1,447	40,825
" May	17,457	10,809	4,524	1,900	1,794	54,617
" June	18,217	14,610	4,204	1,629	1,426	76,403
" July	36,435	18,515	4,181	1,903	1,661	64,086
" Aug.	63,012	20,845	3,714	2,214	1,800	47,831
" Sept	44,196	18,355	3,607	2,295	2,659	41,907
" Oct.	38,380	16,541	4,816	2,802	3,465	38,558
" Nov.	36,576	23,280	5,416	2,182	1,816	33,774
" Dec.	28,756	37,930	5,825	1,810	1,526	35,179
1924 Jan.	15,548	30,594	6,253	1,888	1,697	37,689
" Feb.	20,165	44,689	5,335	1,457	1,412	40,474
" Mar.	17,434	29,405	4,833	1,556	1,367	44,371
" Apr.	10,374	17,926	4,374	1,751	1,348	43,67
" May	16,039	15,988	4,321	1,890	1,344	57,462
" June	16,877	17,392	4,296	1,673	1,550	77,891
" July	39,911	18,453	4,091	1,798	1,672	78,089
" Aug.	88,461	18,841	3,196	1,934	2,005	57,624
" Sept.	81,183	22,084	3,216	2,566	3,027	47,760
" Oct.	84,858	18,877	3,990	2,737	3,295	42,220

Movement of wheat to market during October was extremely heavy. More corn also went to market than same month last year.

Hog movement reflected the shortage of corn. Cattle and sheep not far from last year's figures. Butter receipts showed seasonal drop-off but considerably exceeded last year.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month		WHEAT including flour	TOBACCO (Leaf)	BACON HAMS AND SHOULDERS	LARD	TOTAL* MEATS	COTTON# running bales
		1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1923	January	12,519	41,309	74,432	107,786	86,938	474
"	February	12,197	24,380	64,488	89,056	75,023	360
"	March	10,725	31,688	66,441	109,187	75,933	318
"	April	10,195	40,141	68,528	85,475	77,963	260
"	May	14,396	28,421	64,608	93,199	72,606	160
"	June	12,881	49,730	59,473	64,605	68,799	215
"	July	12,822	44,105	64,264	69,479	74,127	172
"	August	19,929	33,480	69,194	83,758	80,112	244
"	September	22,465	37,646	76,911	83,630	88,833	689
"	October	18,652	44,948	72,341	76,378	83,183	774
"	November	12,147	49,381	71,947	74,251	85,069	767
"	December	12,991	49,270	76,263	98,578	89,890	846
(1923 First 10 mos.)		146,781	375,848	680,680	862,553	783,517	3,666
1924	January	12,143	47,579	79,067	132,758	90,430	547
"	February	10,019	39,183	81,108	99,910	90,462	482
"	March	9,374	61,172	66,695	100,726	74,464	332
"	April	8,418	59,219	57,546	73,307	64,474	321
"	May	7,206	39,661	45,584	62,648	51,427	326
"	June	10,257	52,614	44,145	59,475	49,807	231
"	July	7,601	32,520	53,769	86,788	60,406	212
"	August	21,106	33,410	52,367	75,937	60,180	278
"	September	39,244	37,245	43,117	65,810	50,088	737
"	October	53,538	56,227	45,365	60,813	52,820	947
(1924 ten months)		178,906	458,830	568,763	818,172	644,558	4,413

The export figures continue to reveal that we are selling more cotton and much more wheat but less pork abroad than we did last year.

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; mutton and lamb.

Includes linters.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1923 Oct.	1924 Sept.	1924 Oct.	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	102	68	80	Increase
Bituminous coal (Millions tons)	49	41	47	Increase
Automobiles shipped (Thou. carloads)	42	28	33	Increase
CONSUMPTION				
Cotton by mills (Thou. bales)	543	435	533	Increase
Unfilled orders Steel Corp. (Thou. T.)	4,673	3,474	3,525	Increase
Building contracts (Millions dollars)	320	298	345	Increase
Hogs slaughtered (Thousands)	3,129	1,959	2,525	Increase
Cattle " "	1,373	1,312	1,432	Increase
Sheep " "	981	1,097	1,020	Decrease
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	18	19	22	Increase
Car loadings (Thousands)	4,311	5,167	4,380	Decrease
Mail order sales (Millions dollars)	38	31	41	Increase
Men employed, N. Y. State Factories (Thou.)	556	489	495	Increase
Av. price 25 indus. stocks (Dollars)	102	117	117	Same
Interest rate (60-90 day Paper)	5.13	3.13	3.13	Same
Retail Food Price Index (Dept. Labor)	150	147	149	Higher
Wholesale Price Index (Dept. Labor)	153	149	152	Higher

Two months ago most of the talk was of possible quieter times in industry. Since election and since the recent stock market boom, most talk begins to suggest the possibility of some inflation, rising prices, and resulting business stimulation. What will happen is anybody's guess. There is still apparently some margin of strong demand in building, textiles, railway equipment and other key industries which may assert itself in the spring. There is evidently, also, a monetary background for some inflation. It would not be surprising if business turned upward for a time.

What the relative position of agriculture will be remains to be seen. Its contribution to the recent business boom was an unlimited supply of cheap food - with near bankruptcy for the producers.

THE SITUATION IN VARIOUS KEY STATES

(From Reports of State Statisticians of this Bureau)

TEXAS - - Favorable weather has accelerated the harvesting of late crops, but the lack of moisture has held back fall plowing and the sowing of small grains except in the northwest and scattered localities elsewhere. Most of the wheat crop has left the hands of the producer and the relatively small sweet potato surplus is being marketed at good prices. Rice was harvested at less expense than in many years and sold at very satisfactory prices. Both the corn and hay crops are short. Except on the west side, all but a small percentage of the cotton has been gathered, yields surpassing early expectations. Up to the middle of November, farmers and country merchants were holding from 15 to 20 per cent of cotton crop for better prices.

Considerable liquidation continues in the cattle industry and restocking of ranges is awaiting the outcome of the second dry period this year. October was one of the driest on record and only scattered showers had visited the southern two-thirds of the State prior to November 15; consequently, outside of the northwest and parts of the north, grass and water conditions lack much of being encouraging. The situation in the principal sheep and goat region is better. There is some restocking of cattle range with sheep and goats. Contracts have been made for a portion of the spring wool clip. The October receipts of all classes of livestock at Fort Worth were less than during October, 1923, swine showing almost 50 per cent decline, but for the year to November 1, the decrease in swine receipts was only 18 per cent, sheep 4 per cent, calves 1 per cent, while cattle showed an increase of 21 per cent. There is some movement to grass in northern Mexico. The foot-and-mouth outbreak appears to be under control.

Labor is being released on the farms, this generally being promptly absorbed by the increased activity in road and street construction as well as in the building trades. Farm machinery sales and demand for groceries remain at the level of preceding months. Buying of coffee by retailers has been very active and it is noted that the sale of cigars has fallen off in the sections where crop yields were poor. The banks in most of the State have a large accumulation of funds; savings deposits have increased in volume and in number of depositors; and accounts are being liquidated satisfactorily. The gross cash income of farmers and ranchers is in the neighborhood of 10 per cent below that of last year. -- H. H. Schutz.

IOWA - Frost damage to corn the last of September was much more serious in Iowa than in the Corn Belt States further east.

The warm dry weather with plenty of sunshine, which has prevailed during October and November, has enabled Iowa's crop of relatively soft corn to dry out with a very small amount of mould or other damage.

The corn crop is light and chaffy. Early shipments of new corn through Des Moines are showing an average moisture test of 18 per cent,

weight per bushel of shelled corn of 50 pounds and an average grade of 4. This corn is being purchased by the local elevators at about 90 cents per bushel on the ear (November 20th.)

New corn is now feeding out well. There are numerous reports of farmers who have fed up this year's crop of corn and are shipping their hogs to market before they are finished.

The peak of this season's hog marketings will be several weeks earlier than a year ago and substantial increase in price can be expected by late January or February. With a normal corn crop in 1925 there will be a substantial profit in feeding corn to hogs another fall.

The present outlook is for a reduction in cattle feeding of at least 20 to 30 per cent and in sheep and lamb feeding of about 10 per cent.

Dairy production is reacting downward in response to low butter and milk prices and high feed prices. Expansion of dairy herds is being checked and less intensive methods of feeding are being practiced. -- Chas. F. Sarle.

WISCONSIN - Farmers received \$1.66 per hundred pounds for October milk for all purposes - mainly cheese and butter. This was 49 cents a hundred less than a year ago, and dairy markets show little hope of more than a seasonal improvement.

With the single exception of one crop, - canning peas, - the returns from the principal cash crops in Wisconsin have been disappointing this year. Potatoes made big yields, but the market price of 20 cents to 25 cents a bushel is extremely unsatisfactory. In addition, farmers have had to contend with a considerable amount of late blight rot, - requiring extra sorting and losses. Low yields of tobacco, clover seed, cabbage and sugar beets have reduced the returns from these crops. But cash crops provide only about 15 per cent of the income of Wisconsin farmers.

Farmers in some sections found it difficult to fill their silos with the corn tonnage this year, and the corn crop is a weak spot in the feed situation of the State. The hay and small grain crops, however, to which 70 per cent of the crop acreage of the State is devoted were fully up to average. The hay crop was especially good. Farmers have entered the feeding season, accordingly, with more than usual amounts of hay and average supplies of grain. Feed bills may be kept down to a low figure this winter - a striking contrast to last year. -- Paul O. Nyhus.

ILLINOIS - With corn husking about half completed, other crops gathered, and farm work in general well caught up and progressing favorably, it is now possible to roughly measure the extent of improvement in the Illinois agricultural situation with a preliminary inventory for the year. The total value of Illinois crops produced is approximately \$501,000,000 against \$426,000,000 last year, \$388,000,000 in 1922 and \$274,000,000 in 1921. Excepting oats and hay the increased valuation this year is due much more to favorable market price than good crops. Corn is the greatest single contributing factor.

With a gain of \$53,000,000 in crop value over last season the total returns from livestock sales amounting to about \$70,000,000 for the first 9 months of the year are about \$7,000,000 short of last season's record. Cattle and hog market receipts for the period are practically the same, with sheep receipts heavily increased over last season. Shippers have received about \$6,000,000 less for their hogs, \$2,000,000 less for cattle and nearly \$900,000 more for sheep sold than a year ago. The large hog receipts are due to the tremendous receipts in the early months of the year. With the resultant break in prices, receipts have slackened as the season advanced and this calendar year will close with hog receipts somewhat short of last year. The total value of crops produced this year and livestock sales to October 1st total about \$68,000,000 above last season. Feeder sheep movement into Illinois this season is 7 per cent above the large movement a year ago. Feeder cattle imports are increasing but remain 10 per cent below last year. Dairy cattle on farms have increased, hog numbers on farms heavily reduced and are down to slightly below the average with prospects of working lower as attractive price of corn is holding up market receipts. Livestock condition reports continue favorable generally.

The State supply of roughage is abundant, corn supplies favorable in central area, uneven elsewhere, State average fair, oats, and vegetables large crops, fruits fair to poor, clover seed poor, other grass seeds fair to good, cotton poor to good. Winter wheat has gone in under favorable soil conditions with probably little change in acreage owing to the strong upward price movement. The latter half of the year the season is better than average for Illinois agriculture, the best in four years. Progress with the majority of farmers must be measured in terms of debt liquidation. However the load has been lightened to some extent. -- A. J. Surratt.

THE DAIRY SITUATION

Division of Dairy and Poultry Products, B. A. E.

December begins with all dairy markets in an apparently stronger position than a month ago. Seasonal changes in production have occurred, and this reduction has been further supplemented in some cases by the diversion of milk from its usual use. In certain sections which are tributary to important fluid milk markets and in some condensery districts, this has been true. The outstanding feature of the immediate situation, however, is the recent sharp advance in butter prices. Beginning on November 1, there were sharp successive advances which, at the close of the month, amounted to a net increase of fully 6 cents. Scarcity of real fancy goods and generally light receipts are factors of influence, although it is to be noted that the last official Danish weekly quotation issued in November showed an advance of approximately 4 cents also. Changes upward in prices of fresh butter naturally shifted more attention to storage butter, of which there was on November 1 a surplus over last year of around 59,000,000 lbs., with total stocks on that date slightly more than 135,000,000 lbs.

The out-of-storage movement received considerable impetus when prices at which storage butter could be sold advanced to a point approaching the costs of the butter when stored, and withdrawals at the four principal markets recently have been running around a million pounds per day. These rapid withdrawals may be expected to continue so long as there is an opportunity for operators to realize costs or even to suffer no more than slight losses.

Little has been heard recently as to the possibilities of butter exports or the probability of imports. Some small quantities of American butter were shipped to England early in the month, but, on the other hand, small lots were returned toward the close of the month. With foreign and domestic markets recently following the same upward tendency, there appeared to be no immediate opportunity for foreign business at the close of November.

Condensed and evaporated milk markets seem to have made a closer approach to a healthy condition. Figures for December 1 are not available, and considerable speculation may be found as to what stocks on that date will be, for the November movement of previous years has been irregular, but manufacturers are not pessimistic. Data covering stocks on November 1 indicate that there was a fairly satisfactory movement during the preceding month, largely, of course, to domestic trade, which outlet absorbs the bulk of our enormous production. Firm butter markets and unusual demand here and there for fluid milk helped condenseries in avoiding further piling up of stocks.

Little out of the ordinary can be said regarding cheese markets. As measured by statistics, there are apparent surpluses of American type cheese in storage, but these are not the cause of concern, because they are not excessive when certain changes in preparing cheese for market and in merchandising itself are recognized. More and more, the possibilities of extending outlets for cheese are being met.

THE DAIRY SITUATION

(Thousands pounds, 000 omitted)

Stocks in Storage November 1.

Year	Cold storage.		In Manufacturers' Hands		
	Butter	Cheese	Cond. & Evap.	Milk	Milk Powder.
1924	135,251	87,808	179,460		12,146
1923	76,472	74,302	210,022		8,568
Inc.or Dec.	58,779+	13,506+	30,762-		3,578+
	76.9%	18.2%	14.6%		41.7%
5 year aver.	85.5%+	27.3%+	0%-		----
Receipts January 1 to October 31.					

Year	Butter	American Cheese	Month of October Butter (4 markets)
	4 Markets.	Wisconsin Markets.	
1924	504,946	243,672	40,414
1923	458,341	228,439	36,652
Inc.or Dec.	46,605+	15,233+	3,762+
	10.17%	6.66%	10.3%

Net Imports and Exports - October.

Year	Butter	Cheese	Cond., Evap. and Powdered milk.	
1924	2,518 Ex.	6,896 Im.	23,168 Ex.	
1923	858 Im.	9,278 Im.	11,499 Ex.	
Inc.or Dec.	3,376 -	2,382 -	11,669 +	
Change for 10 months.	980 Ex.	7,562 Im.	39,096 Ex.	1924 - 23
Milk equiv.	20,580 Ex.	75,620 Im.	87,740 Ex.	Balance 32,700 Ex.

BUTTER SUMMARY

	1924.	1923.	1924 Inc.	% Inc.
Storage holdings Jan. 1	30,299	26,941	3,358	12.46
Production(farm & factory)				
(January - October Incl.)	1,739,082	1,633,374	105,708	6.4
Net imports - (10 months)	11,342	10,215	1,127	11.0
TOTAL	1,780,723	1,670,530	110,193	6.2
Storage Holdings Nov.1	135,251	76,472	58,779	76.9
Apparent consumption	1,645,472	1,594,058	51,414 +	3.2
Average per month	164,547	159,406	5,141	3.2
Apparent consumption, Oct.	159,081	155,672	3,409 +	2.2

THE POULTRY AND EGG SITUATION

Division of Dairy and Poultry Products, B. A. E.

November found the egg industry in a generally good condition. The storage of shell and frozen eggs in storage as compared to last year, together with the decreased receipts at the four markets, combined to give strength to the situation. Top prices for nearby eggs in the New York market have steadily increased throughout the fall with the seasonal decline in receipts of fine fresh stock, reaching 84 cents at the beginning of November and maintaining this level quite steadily until the last of the month when a decline of several cents occurred.

Storage stocks of shell eggs on November 1, the latest date on which this information is available, showed a decrease of 20 per cent and frozen eggs 34 per cent from last year. This, combined with a satisfactory movement out of storage, has given special strength to refrigerator eggs which have advanced to a level well above that of last year. Although there were some fluctuations in December futures, during the early part of November, the firmness in this class of goods has been well maintained and the storage egg deal this year holds promise of returning a good profit to those who have eggs in the warehouses.

Increase in the price of poultry feeds is causing poultry keepers considerable concern, particularly the specialized egg farmers who purchase the great bulk of the grains needed to feed the hens, and will doubtless result in decreased profits even though the price levels prevailing for eggs are good.

The poultry situation is not so favorable. The outstanding feature of this branch of the industry is the decrease in apparent trade output of dressed poultry in the four markets. During October this was nearly 24 per cent less than last year and resulted in an increase in storage holdings in those cities more than 100 per cent greater than during October, 1923, in spite of the slightly smaller market receipts.

Receipts of live poultry at New York have, at times, been more than ample for the trade requirement and have resulted in price fluctuation due to the difficulty of clearing the stocks on hand. Receipts of both live and dressed poultry have continued liberal during November and have resulted in further increases in the surplus of storage holdings over last year. In the United States as a whole, storage stocks on November 1 showed a sizeable increase over last year, this being particularly true of broilers, roasters and fowl. In spite of this condition prices have been quite well maintained especially on fowl and on the various classes of chickens. Turkeys, ducks and geese, on the other hand, have ranged generally lower than last year.

The Thanksgiving turkey deal occasioned, as usual, considerable conjecture as to its probable outcome. Early indications were that the crop was somewhat below last year, and the cold, wet spring caused hatching to be late with consequent anticipation of considerable immature and thin birds for the Thanksgiving market. These expectations proved to be well founded. Receipts of turkeys, while liberal, were generally below last year and contained a considerable proportion of rather poor stock. With prices ranging somewhat below last year, the clearance of the supplies was quite satisfactory, especially of the better stock. Undergrades did not move so freely. Owing to the warm weather and to insufficient chilling, more or less stock was reported as arriving in bad order.

POULTRY AND EGG SITUATION

(Thousands, 000 omitted)

Stocks in Storage. November 1, -----United States

Year	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed Poultry (Pounds)
1924	5,295	26,712	55,430
1923	6,645	40,424	40,363
In. or Dec.	-1,350	-13,712	+15,067
% Inc.or Dec.	-20.3	- 33.9	+ 37.3
% 1924 over 5 yr.average	+ 3.1	- 2.2	+ 63.3

Imports and Exports of Poultry and eggs - Jan. 1 to Oct. 1

I M P O R T S			E X P O R T S	
	1924	1923	1924	1923
Shell eggs (doz)	267	281	22,113	20,575
Dried,frozen etc.lbs.	11,284	20,543	477	278
Live Poultry (No.)	370	247	614	420
Dressed Poultry (Lbs.)	1,403	1,346	3,811	5,550

Receipts and Apparent Trade Output at four markets - EGGS (cases)

OCTOBER			JANUARY 1 - OCTOBER 31			
Receipts		Net storage movement	Apparent trade output	Receipts	Net stor. movement	Appar. tra output
1924	696	-762	1,458	13,763	-1,286	12,477
1923	<u>786</u>	<u>-760</u>	<u>1,546</u>	<u>14,812</u>	<u>-2,252</u>	<u>12,560</u>
Inc. or Dec.-90		+ 2	-88	-1,049	- 966	- 83
% Inc.or " -11.5		+ .3	- 5.7	- 7.1	- 42.9	- .7

Receipts and Apparent Trade Output at four markets - Dressed Poultry (Lbs.)

OCTOBER			JANUARY 1 - OCTOBER 31			
Receipts		Net storage movement	Apparent trade output	Receipts	Net stor. movement	Appar. trade output
1924	26,982	+8,837	18,145	218,219	-26,057	244,276
1923	28,087	+4,323	23,764	205,727	-37,998	243,725
Inc.orDec-1,105		+4,514	-5,619	+ 12,492	-11,941	+ 551
% " " " -3.9		+ 104.4	23.6	+ 6.1	- 31.4	+ .2

THE WHEAT AND CORN MARKET SITUATION

G. A. Collier

Grain Market News Service, Hay, Feed, and Seed Division, B.A.E.

The grain market continued generally firm during November. The prices of the principal grains, with the exception of oats, reached new high levels around the middle of the month and while there was some reaction later the general market situation remained in a very firm position.

The strength in the wheat market has been caused principally by the small Canadian crop now officially estimated at 272,000,000 bushels and by unfavorable crop conditions in Argentina, which are expected to result in a smaller production in that country this year. The Canadian crop is of poorer quality than last year, only about 40 per cent of the stocks in the terminal elevators November 1 grading No. 2 northern or better, compared with about 60 per cent at the corresponding time last year and 80 per cent in 1922. The smaller supply of high grade wheat in Canada has increased the demand for the United States wheat, which generally is of good quality.

In Argentina the weather has continued unusually dry and crop prospects are reported less favorable. The latest official estimate of the crop is 190,000,000 bushels compared with 247,000,000 bushels last year.

While the weather in Australia has been reported too wet for the proper development of the crop, it is estimated that the production will be about the same as last year or slightly larger.

The reduction in Argentina and Canada, however, has reduced the amount of the probable exportable surplus of the principal exporting countries to around 700,000,000 bushels. The import requirements of both European and non-European countries, it is estimated, will total between 650,000,000 and 725,000,000 bushels, and with the United States the principal source of supply this situation is likely to cause a continued heavy export demand from this country.

The exports of wheat from the United States have continued heavy, about 125,000,000 bushels having been exported as grain and flour to the middle of the month. This is more than twice the amount exported last year and about half of the amount that it is estimated will be available for export from this country this year.

The movement from the farms has been relatively heavier than the exports and has resulted in the accumulation of 100,000,000 bushels of wheat at the principal markets. This accumulation has not had the depressing influence on the market that the visible supply of 75,000,000 bushels had at this time last year, because of the continued active export demand and the smaller farm stocks of wheat available for the remaining 8 months of the crop year.

The movement of hard winter wheat has fallen off materially and high protein types have become scarce, resulting in higher premiums for these types. Thirteen per cent protein wheat at the middle of the month sold at 10 - 11 cents over the December price at Kansas City with 12 per cent protein No. 2 hard winter selling at 5 cents over the December price.

Premiums for the better grades of spring wheat have also continued firm on a good milling demand. No. 1 dark northern has sold generally throughout the month at around the December price to 22 cents over, with the bulk of No. 1 northern selling at the December price.

Durum wheat has continued in active demand at advanced premiums. The active demand for durum wheat this year is being caused principally by the shortage of this kind of wheat in Russia and Northern Africa, which together with the United States, supply the import requirements of the southern European countries.

The market for red winter wheat has advanced with the hard winter and spring wheats and has maintained its premium of about 15 cents per bushel over the hard winter. The supply of this wheat is smaller than last year and this shortage is being reflected in the small receipts and the firm premiums being paid for desirable offerings.

Corn Market Develops New Strength

The favorable weather in October which greatly assisted in maturing the corn crop did not improve the crop as much as expected and early husking returns have been rather disappointing, the November estimate placing the crop at 2,477,000,000 bushels, which is about 570,000,000 bushels below last year's crop. Stocks on farms November 1 totaled nearly 102,000,000 bushels, which was about 18,000,000 bushels more than last year, but this increase, together with the larger stocks in the terminal markets, will not go far in making up the crop shortage, and it seems probable that the market will continue in a firm position for some time.

There was a good crop of grain sorghums this year and these are being taken by Pacific Coast and southwestern buyers at prices ranging around \$1.75 - \$1.80 per 100 pounds. The present demand for corn is of only moderate volume and has been equal to the receipts. New corn has comprised only a small percentage of the receipts and in general has not been of good quality. Receipts at St. Louis and markets further south are showing much better quality than the northern markets.

Table 1 - INDEX NUMBERS OF PRICES OF FARM PRODUCTS

1913 = 100

Month	<u>1913</u>	<u>1914</u>	<u>1915</u>	<u>1916</u>	<u>1917</u>	<u>1918</u>	<u>1919</u>	<u>1920</u>	<u>1921</u>	<u>1922</u>	<u>1923</u>	<u>1924</u>
January	95	104	100	104	140	194	200	219	135	114	134	137
February	96	105	101	106	148	197	194	221	128	118	136	136
March	97	104	100	108	159	199	197	222	123	123	136	131
April	98	104	102	110	176	200	207	230	115	123	137	130
May	98	104	104	111	188	198	215	235	112	127	135	129
June	99	104	101	112	188	196	216	234	110	128	133	130
July	99	103	99	113	185	197	222	224	111	126	130	132
August	101	104	97	117	183	203	222	209	116	120	128	139
September	103	102	97	123	184	207	208	194	118	119	132	132
October	104	98	101	128	187	204	206	178	120	123	134	138
November	104	96	99	137	187	200	209	158	116	126	136	---
December	103	97	100	139	191	201	212	140	115	131	137	---

Table 1 shows the index numbers of prices, at the farm, of 30 agricultural products. This is the "new" price index of this Bureau and is somewhat more comprehensive than the price index previously used. It is constructed on a 5-year base, August, 1909 - July, 1914, but by a coincidence the year 1913 equals 100 and is so taken here.

Table 2 - INDEX NUMBERS OF WHOLESALE PRICES OF NON-AGRICULTURAL COMMODITIES

(Bureau of Labor Statistics "All Commodities,"
Excluding Farm Products and Food.)

<u>Month</u>	<u>1913</u>	<u>1914</u>	<u>1915</u>	<u>1916</u>	<u>1917</u>	<u>1918</u>	<u>1919</u>	<u>1920</u>	<u>1921</u>	<u>1922</u>	<u>1923</u>	<u>1924</u>
January	102	94	91	116	160	172	184	227	188	150	170	160
February	102	96	92	120	163	175	181	234	178	149	172	162
March	102	96	93	126	167	179	180	240	171	150	175	161
April	102	98	94	128	172	183	180	250	166	153	176	159
May	101	96	95	129	180	186	182	250	162	161	172	157
June	99	95	96	132	187	187	191	246	158	164	168	155
July	100	93	96	129	194	191	198	246	152	172	165	154
August	99	94	98	128	190	192	204	242	150	176	163	154
September	101	96	100	127	185	194	205	240	149	170	164	---
October	99	90	100	137	172	192	206	228	152	169	161	---
November	97	90	103	148	170	192	210	210	152	169	160	---
December	96	91	110	156	170	188	215	197	152	168	158	---

Table 2 shows index numbers of prices, at wholesale, of non-agricultural commodities. This is the "all commodities" index of the United States Bureau of Labor Statistics, from which farm products and food have been excluded.

Table 3 - THE PURCHASING POWER OF FARM PRODUCTS IN TERMS OF
NON-AGRICULTURAL COMMODITIES

1913 = 100

Month	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924
January	93	111	110	90	88	113	109	96	72	76	79	84
February	94	109	110	88	91	113	107	94	72	79	79	83
March	95	108	108	86	95	111	109	92	72	82	78	80
April	96	106	109	86	102	109	115	92	69	80	78	81
May	97	108	110	86	104	106	118	94	69	79	78	81
June	100	109	105	85	101	105	113	95	70	78	79	83
July	99	111	103	88	95	103	112	91	73	73	79	84
August	102	111	99	91	96	106	109	86	77	68	79	89
September	102	106	97	93	100	107	101	81	79	70	79	--
October	105	109	101	93	109	106	100	78	79	73	82	--
November	107	107	96	93	110	104	100	75	76	75	83	--
December	107	107	91	89	112	107	99	71	76	78	85	--

Table 3 shows the purchasing power of farm products in terms of non-agricultural commodities. It is obtained by dividing each index number in table 1 by that for the corresponding month in table 2.